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LOS ANGELES
ORANGE COUNTY
SAN DIEGO
SAN FRANCISCO
SANTA BARBARA
WESTLAKE VILLAGE

FILE NO. 47715.046

December 17, 2008

VIA REGISTERED MAIL

Timothy William Hollinger, President
Sun Country Systems, Inc
11710 Chisholm Court
Santa Clarita, California 91390

Sako Beudjekian, Vice President and
Registered Agent
B.A.S. Recycling, Inc.
1400 North "H" Street
San Bernardino, California 92505

Sarkis Hratch, President
B.A.S. Recycling, Inc.
1400 North "H" Street
San Bernardino, California 92505

Re: 60-Day Notice of Violation of The Safe Drinking Water and Toxic Enforcement
Act of 1986 (Proposition 65)

Dear Mssrs. Hollinger, Hratch and Beudjekian:

As counsel for the Los Angeles Unified School District (the "District"), I am hereby providing this letter as notification, pursuant to California Health and Safety Code Section 25249.7(d)(1), that the District intends to bring suit against Sun Country Systems, Inc. (hereinafter "SCSI") and B.A.S. Recycling, Inc. (hereinafter "B.A.S.") for, among other claims, violations of California Health and Safety Code Section 25249.6 (also known as "Proposition 65"). Section 25249.6 provides:

"No person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual, except as provided in Section 25249.10."

The following discussion will provide you with a greater understanding regarding the location of the exposure, the type of exposure, the method of exposure, and the approximate length of time the District properties at issue have been exposed to Proposition 65 listed contaminants released from and present in crumb rubber infill present in artificial or synthetic turf product known as "Safturf" located at over twenty-five (25) schools owned and maintained

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by the District. The following is intended to provide you with facts sufficient to enable you to undertake a meaningful investigation of the crumb rubber infill component of the synthetic turf product provided by SCSi and B.A.S. to the District, as well as the District's exposed property, and thereafter participate in the remedy of any environmental contamination that may have occurred on the premises of the District.

I. LOCATION OF SOURCE OF EXPOSURE

The violation covered by this notice consists of the identified presence and potential release of and exposure to lead and carbon black from the crumb rubber infill that was provided by SCSi and B.A.S. and installed at over 25 schools, including elementary, middle and high schools, owned and operated by the District (hereinafter the "Affected Schools"). The Affected Schools are located in the City of Los Angeles, County of Los Angeles, California, and are further described in "Exhibit A" attached hereto and incorporated herein by reference, which lists the school properties, the approximate square footage of the artificial turf product, the date(s) of installation and the laboratory analytical results for lead obtained for samples taken at such properties.

The Material Safety Data Sheets ("MSDS") for the infill rubber used in conjunction with the artificial turf product identify constituents such as styrene butadiene rubber ("SBR") and "crumb rubber." The term "crumb rubber" typically refers to a styrene butadiene rubber composed of granulated used tire rubber. The MSDSs also list carbon black, a Proposition 65 listed carcinogen, as an ingredient in the crumb rubber. According to the MSDS, the concentration of carbon black in the crumb is approximately forty percent (40%). Attached hereto as "Exhibit B" and incorporated herein by reference are the MSDSs for the crumb rubber infill installed in conjunction with the Safturf product at the Affected Schools. Moreover, based on the District's understanding of similar artificial turf products, such products may also contain additional potential contaminants of concern and Proposition 65-regulated carcinogens and reproductive toxins, such as zinc oxide, lead chromate, chrysene, chromium, butylated hydroxyl anisole, as well as other yet identified carcinogenic polycyclic aromatic hydrocarbons ("PAHs").

The District is currently engaged in the process of testing and removing the infill rubber from the Affected Schools.

II. NATURE OF EXPOSURE

A Proposition 65 exposure risk is posed by the lead and carbon black contaminants contained in the crumb rubber infill present and used in conjunction with the artificial Safturf product. Lead and carbon black are identified as chemicals known to cause cancer on the State of California's Proposition 65 list. Lead is further identified as a chemical

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known to cause reproductive and developmental toxicity. These contaminants of concern have been identified as originating in and being present in the crumb rubber infill used in conjunction with the Safturf product.

The Federal Department of Health and Human Services, Centers for Disease Control and Prevention ("CDC") has issued an official CDC Health Advisory on June 18, 2008, relating to artificial or synthetic turf. The CDC Health Advisory states that as an artificial turf ages and weathers, lead is released in dust that can be ingested or inhaled, which increases the risk of harmful exposure. The CDC Health Advisory further states that children under 6 years of age are more likely to be adversely affected by exposure to lead because of the increased air intake in relation to body size, they have increased contact with the surface of the fields and are more prone to engage in hand-to-mouth contact dust ingestion. Children also more readily transport lead and carbon black dust back to their homes on their clothing. Moreover, developing systems of children make them more susceptible to the adverse health effects of lead intake.

The State of New Jersey Department of Health and Senior Services ("NJDHSS") has also issued a Health Release announcing that "laboratory testing has shown that lead can be dissolved from artificial turf fibers and turf field dust under conditions that simulate the human digestive process, leaving the lead available for the body to absorb." The NJDHSS further stated, "We found that lead does dissolve from artificial turf fibers and turf dust under stomach acid conditions, and is available to be absorbed from the small intestine into the bloodstream." As such, children playing on these artificial surfaces are at risk due to exposure to lead contained in the turf dust, which can be taken up through dust inhalation, dust ingestion, hand-to-mouth contact or dermal skin absorption.

III. EXTENT OF THE EXPOSURE

From on or about January 2006 to the present, the District contracted with SCSi to install artificial turf at the Affected Schools listed on Exhibit A. Artificial turf was installed in the playgrounds and playing fields at the Affected Schools. These locations are used by students between the ages of five and 18 for several hours per day throughout the school year. These locations are outdoors and exposed to the intense California sunshine and summer temperatures that oftentimes exceed 100 degrees Fahrenheit. Sunlight and heat contribute to the break-down of both the artificial turf and crumb rubber infill, and result in increased dust generation.

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IV. ROUTE OF EXPOSURE AND ITS POTENTIAL HEALTH RISKS

The presence of the crumb rubber infill, used in conjunction with the artificial turf product, at the Affected Schools has caused the release of chemicals known to the State of California to cause cancer and reproductive toxicity that is threatening children and the Affected Schools. Currently, the identified chemicals of concern are lead and carbon black. (However, as noted herein, additional testing may establish and confirm the presence of other chemicals of concern). The routes of exposure are dermal absorption, inhalation, and oral ingestion both at the Affected Schools and potentially at homes, as the children carry and transport the turf and/or rubber dust on their clothing. The potential health risks for lead are well known and documented in the medical literature. These risks include cancer, neurological toxicity, decreased IQ and reproductive and developmental toxicity.

The B.A.S. MSDS relating to the crumb rubber infill provides that the product contains carbon black at a concentration of forty percent (40%). Carbon black, which is identified as a "hazardous material" and human carcinogen by the State of California's Office of Environmental Health Hazard Assessment ("OEHHA"), is produced by the incomplete combustion of heavy petroleum products. The scientific literature states that, in conjunction with PAHs, the carcinogenic potential of carbon black is enhanced. The International Agency for Research on Cancer ("IARC") has also identified carbon black as a possible human carcinogen.

V. TIME PERIOD DURING WHICH VIOLATION HAS OCCURRED

The contaminant exposures and potential soil releases have occurred since at least January 2006 at each of the Affected Schools. The extent of any releases into the air and soil is not known at this time and may be the subject of future testing.

Moreover, during this time period, B.A.S and SCSI have not provided potentially-exposed individuals with a clear and reasonable warning that the crumb rubber infill poses a risk of exposure to any chemical regulated under Proposition 65. Specifically, both have failed to provide proper notice or warning that the crumb rubber infill contains lead or carbon black.

VI. CONCLUSION

Based upon the foregoing, the District believes that the crumb rubber infill used in conjunction with the artificial turf product has exposed the students, faculty, staff and the property at the Affected Schools to lead and carbon black. Such exposure also poses a potential threat to future students, faculty and staff at the Affected Schools. Moreover, the use of the crumb rubber infill in conjunction with the artificial turf product may also have exposed the students, faculty, staff and the premises of the Affected Schools to a number of other suspected

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carcinogens and reproductive toxins that are subject to regulation under Proposition 65. It may be necessary at a later date to conduct additional sampling and testing for potential exposure to other Proposition 65 chemicals, depending upon the results of further investigation and the information provided by SCSi and B.A.S. as a result of this notice.

Attached please find a copy of "The Safe Drinking Water and Toxic Enforcement Act of 1986" (Proposition 65), prepared by OEHHA, the lead state agency for the implementation of the Act. ("Exhibit C").

Please direct all questions concerning this notice of violation to the following addressees: Barry C. Groveman, Esq. or William W. Carter, Esq., Musick, Peeler & Garrett LLP, One Wilshire Boulevard, 624 South Grand Avenue, Suite 2100, Los Angeles, California 90017-3383, (213) 629-7615 or (213) 629-7863, respectively. Should you require more information regarding the Affected Schools and/or exposure risks, the District will provide you with any available reports.

For general information concerning the provisions of Proposition 65, please contact OEHHA, Proposition 65 Implementation Office, at (916) 445-6900.

Very truly yours,



Barry C. Groveman, Esq.

MUSICK, PEELER & GARRETT LLP

Enclosures

BCG:WWC

cc: Jay F. Golida, Esq., LAUSD
William W. Carter, Esq., MPG

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CERTIFICATE OF MERIT

Health and Safety Code Section 25249.7(d)

I, Barry C. Groveman, hereby declare:

1.. This Certificate of Merit accompanies the attached sixty-day (60) notice in which it is alleged that the parties identified in the notices have violated California Health and Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.

2. I am the attorney for the noticing party, Los Angeles Unified School District (the "District").

3. I have consulted with one or more persons with relevant and appropriate experience or expertise, who has reviewed facts, studies, or other data regarding the alleged exposure to the listed chemical that is the subject of the action.


4. Based on the information obtained through those consultations, and on all other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and the information did not prove that the alleged violator will be able to establish any of the affirmative defenses set forth in the statute.

5. The copy of this Certificate of Merit served on the Attorney General attaches to it factual information sufficient to establish the basis for this certificate, including the information identified in Health and Safety Code section 25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

DATED: December 17th, 2008

MUSICK, PEELER & GARRETT LLP

By:



Barry C. Groveman, Esq.

Attorneys for Los Angeles Unified School
District